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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/390,026	09/03/1999	CHARLES A. PEYSER	07710.0001-0	6211

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EXAMINER

GARG, YOGESH C

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 04/08/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/390,026

Applicant(s)

PEYSER ET AL.

Examiner

Yogesh C Garg

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 December 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-6,8-19 and 21-38 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-6,8-19 and 21-38 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

Response to Amendment

1. The applicant's amendment received on 11/22/2004 is acknowledged and entered. The applicant has amended claims 1,4,13,14,17,26,30, and 36. Currently claims 1-6, 8-19 and 21-38 are pending for examination.

Response to Arguments

2. Applicant's arguments (see Remarks, pages 14-16) with respect to rejection of claims 1-6, 8-19 and 21-38 under 35 U.S.C. 103 (a) filed on May 27, 2004 have been considered but are moot in view of new grounds of rejection.

This is a Non-Final Rejection.

Claim Rejections - 35 USC § 101

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 26-29 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

3.1. Claimed Invention(s) does not fall within the Technological Art.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or

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composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not

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on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. In re Toma at 857.

In Toma, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in State Street Bank & Trust Co. v. Signature Financial Group, Inc. never addressed this prong of the test. In State Street Bank & Trust Co., the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See State Street Bank & Trust Co. at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See State Street Bank & Trust Co. at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, State Street abolished the Freeman-Walter-Abele test used in Toma. However, **State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in Toma because the invention in State Street (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the Toma test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed**

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invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, claims 26-29, in the body of the claims, have no connection to the technological arts. None of the steps indicate any connection to a computer or technology. The steps of generating a request, receiving information, distributing information, receiving replies, selecting sellers, notifying sellers, compiling a list of sellers, granting a request, transmitting a request, verifying identity of an initiator and presenting a request to sellers could be performed manually by people. Therefore, the claims are directed towards non-statutory subject matter. Though the preamble in claims 26 and 38 recites the use of computer but it has not been given patentable weight because the recitation occurs in the preamble. A preamble is generally not accorded any patentable weight where it merely recites the purpose of a process or the intended use of a structure, and where the body of the claim does not depend on the preamble for completeness but, instead, the process steps or structural limitations are able to stand alone. The steps recited in the body of the claim can stand alone and do not have to depend upon the preamble. See *In re Hirao*, 535 F.2d 67, 190 USPQ 15 (CCPA 1976) and *Kropa v. Robie*, 187 F.2d 150, 152, 88 USPQ 478, 481 (CCPA 1951).

To overcome this rejection the examiner recommends that Applicant amend the claims to better clarify which of the steps are being performed within the technological arts, such as incorporating/integrating a computer/software/hardware computer network or electronic network functionally with manipulative steps recited in the claims as indicated in the other claims.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

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The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4.1. Claims 1-13 are rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential steps, such omission amounting to a gap between the necessary step connections. See MPEP § 2172.01. The omitted steps are: Claims 1 and 13 have been amended to recite the newly added limitation, "receiving a reply from at least one of the seller terminals in response to the request **and further in response to the information**" and this lacks cooperative relationship with rest of the manipulative steps. Claim 1 and 13 recite providing only "the request" and not the "information" to the seller terminals and therefore it is unclear as how the seller's response would be based upon the "information" which has not been forwarded to them. Therefore, Claim 1 and its dependencies 2-6, and 8-12 and claim 13 are rendered unclear and indefinite.

4.2. Claims 4, and 17, rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Where applicant acts as his or her own lexicographer to specifically define a term of a claim contrary to its ordinary meaning, the written description must clearly redefine the claim term and set forth the uncommon definition so as to put one reasonably skilled in the art on notice that the applicant intended to so redefine that claim term. *Process Control Corp. v. HydReclaim Corp.*, 190 F.3d 1350, 1357, 52 USPQ2d 1029, 1033 (Fed. Cir. 1999). The term "demographics" in claims 4 and 17 is used by the claim to mean "information about the company and its requirements for the telecommunication services", while the accepted meaning is "statistical characteristics of human population" The term is indefinite because the specification does not clearly redefine the term. The specification, see page 8, lines 8-12 which does not clearly redefine "demographics" but states that business demographics, for example

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includes the company size, industry, number of locations,etc, ". In order to overcome this rejection, the examiner suggests that claims 4 and 17 should recite and clarify as it means by obtaining business demographics.

5. Examiner cites particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that, in preparing responses, the applicant fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

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Claims 1-3, 5, 8-16, 18, 21-38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al. (US Patent 6,345,090), hereinafter, referred to as Walker in view of Golden et al. (US Patent 6,052,447), hereinafter, referred to Golden.

6.1. **With regards to claim 1**, Walker discloses a method for purchasing telecommunication services, comprising:

receiving a request for purchasing at least one service from a buyer via a buyer terminal, providing the request to a plurality of seller terminals, each of the seller terminals being associated with a different providers of services, receiving a reply from at least one of the seller terminals in response to the request, providing the reply to the buyer terminal, receiving a selection from the buyer terminal in response to the reply and notifying a provider of the selection and an identity of the buyer (see at least FIG. 1a, "Calling party 110 " represents buyers' terminals, and " Inter exchange carrier 1, 2....N" correspond to different providers of services, col.4, lines 39-52, *receiving and processing CPOs for telephone calls fro one or more calling parties, such as a calling party 110...*", and col.6, line 64-col.7, line 9,".....*Figs. 8a and *b, to provide (i) each CPO to the inter exchange carriers 120.....*". Also see col.3, lines 8-67. Note: Walker further discloses that on receiving responses from the number of inter exchange carriers the buyer is notified about the offers and if the buyer accepts an offer the contract is completed, that is the seller is informed and services accepted from the seller for said buyer and payment made);

Walker also discloses receiving information regarding prior use of telecommunication services of the buyer (see at least col.8, lines 11-28, and col.8, line 59-col.9, line 7, "*FIG. 4 illustrates an exemplary customer database 400 that preferably stores information on each customer (calling party) of the CPO management system 100, including*

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biographical information and an indication of the local telephone company serving each customer. customer database 400 includes the customer's address in field 445, the manner in which the customer is bound in field 450, an indication of the local telephone company serving the customer in field 455 and the customer's telephone number in field 460. The telephone number stored in field 460 may be utilized, for example, as a customer identifier to index a historical database (not shown) of previous transactions associated with the customer. " Note: Walker's suggestion of utilizing the stored telephone number information as a customer identifier to index a historical database corresponds to receiving information about prior use from the users/buyers).

Walker does not explicitly disclose using the prior use information in receiving response from sellers based upon the prior use information related to telecommunication network. However, in the same field of endeavor, Golden discloses use of prior use information in formulating customer-specific plans, package information, rewards, and discounts (see Golden at least col.1, line 8-col.2, line 10). In view of Golden, it would have been obvious to one of an ordinary skilled in the art at the time of the applicant's invention to have modified Walker to incorporate the teachings of using prior use information of the buyers in receiving offers from sellers because, as explicitly disclosed in Golden, it would help the sellers in Walker [see Walker, col.2, lines 18-32, wherein it suggests that large customers, such as corporate customers are able to negotiate discounted rates]) to formulate customer-specific packages including rewards, and discounts all types of consumers, that is small consumers and large businesses (see Golden, col.2, lines 29-31).

With regards to claims 2-3, Walker further teaches: registering the buyer prior to receiving the request, obtaining contact information from the buyer and the buyer name and

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assigning an initial password to the buyer (see at least col.8, line 59-col.9, line 7, "FIG. 4 illustrates an exemplary customer database 400 that preferably stores information on each customer (calling party) of the CPO management system 100, including biographical information and an indication of the local telephone company serving each customer.

..... customer database 400 includes the customer's address in field 445, the manner in which the customer is bound in field 450, an indication of the local telephone company serving the customer in field 455 and the customer's telephone number in field 460. The telephone number stored in field 460 may be utilized, for example, as a customer identifier to index a historical database (not shown) of previous transactions associated with the customer. ". Note: The telephone number being used as identifier corresponds to the password because a password is an identifier which authenticates the user.),

With regards to claim 4, Walker teaches acquiring customer information which would include business demographics (see at least col.8, line 59-col.9, line 7, "FIG. 4 illustrates an exemplary customer database 400 that preferably stores information on each customer (calling party) of the CPO management system 100, including biographical information and an indication of the local telephone company serving each customer. customer database 400 includes the customer's address in field 445, the manner in which the customer is bound in field 450, an indication of the local telephone company serving the customer in field 455 and the customer's telephone number in field 460. The telephone number stored in field 460 may be utilized, for example, as a customer identifier to index a historical database (not shown) of previous transactions associated with the customer. ". Note: Walker teaches that customer include large corporations [see col.2, lines 19-32 and col.8, line 59-col.9, line 7] and as such biographic information from corporations including prior use, just like for any individual

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customer would be acquired). As regards to using prior use information of customers including businesses, it is already analyzed in claim 1 above in view of Golden).

With regards to claim 5, Walker Identifying billing preferences for the service (see at least col.12, lines 40-45, "*.....said conditional purchase offer containing (a) at least one customer-defined condition including a price and R a payment identifier for specifying a manner in which finds will be paid "...*").

With regards to claim 6, Walker discloses that receiving the request includes an identification of business sites to receive the at least one telecommunication service (see at least col.8, line 59-col.9, line 7. " The address filed 445" will identify the business site where the telecommunication service is to be received.). Walker is not explicit in disclosing identifying telecommunication services for each of the business sites and desired features for each of the telecommunication services. However, Golden, in the same field of endeavor, teaches needing information about the type of telecommunication services required and their features, see at least col.2, line 49-col.3, line 10, which discloses collecting all prior use information of the users from billing records or otherwise and the details collected indicate customer's pattern of telecommunications network use. The collected prior use information will inherently include information about the telecommunication services required at different sites of a business, if the customer is a large business (see at least Golden, col.2, lines 29-31 which teaches that customers include both small customers and large businesses as also suggested in Walker) and also about the features of the services. In view of Golden, it would have been obvious to one of an ordinary skilled in the art at the time of the applicant's invention to have modified Walker to incorporate the teachings of needing information about the type of

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telecommunication services required and their features because, as explicitly disclosed in Golden, it would help the sellers in Walker [see Walker, col.2, lines 18-32, wherein it suggests that large customers, such as corporate customers are able to negotiate discounted rates]) to formulate customer-specific packages including rewards, and discounts for all types of consumers, whether small or large businesses.

With regards to claim 8, Walker teaches: compiling a list of providers to receive the request; and wherein the providing the request includes: granting access to the request to only the providers on the list (see at least Fig.5 and col.9, lines 35-58 which teaches compiling a list of carriers, that is service providers and registering them. The registered providers correspond to the providers on the list and in Walker, only registered providers are allowed to receive the request of the buyers.).

With regards to claim 9, Walker teaches compiling a list of providers to receive the request; and wherein the providing the request includes: distributing the request to only the providers on the list (list (see at least Fig.5 and col.9, lines 35-58 which teaches compiling a list of carriers, that is service providers and registering them. The registered providers correspond to the providers on the list and in Walker, the request from the buyers are distributed only to the registered providers.).

With regards to claim 10, Walker teaches: verifying an identity of the buyer and presenting the request to the seller terminals only when the identity of the buyer is verified (see at least col.10, lines 20-56, "..... Thereafter, during step 810, the CPO management process 800 will extract the automatic number identification (ANI) number associated with the incoming

call. A new record is then created in the customer database 400 during step 815 using the extracted ANI number as the customer identifier recorded in field 460..... ". Note: extracting ANI and identifying him by this ANI corresponds to identifying the buyer and only after his identification his CPOs are presented to service providers.).

With regards to claim 11, Walker teaches presenting, to the buyer terminal, contractual terms and conditions for providing the at least one telecommunication service from the notified provider and receiving an acceptance of the terms and conditions from the buyer terminal (see at least Walker col.9, lines 20-34 which discloses presenting to buyer the terms for acceptance, such as minimum payment of \$200 over 12 months and also receiving an acceptance for the same.).

With regards to claim 12, Walker discloses receiving, from the seller terminals, filtering criteria that specify types of requests the providers want to receive; and distributing the request to seller terminals based on the filtering criteria (see at least col.10, lines 48-56, " *CPO management system 100 can filter the CPOs provided to carriers who can* ").

With regards to system claim 13, its limitations correspond to the limitations of the method claim 1 analyzed above and are therefore analyzed and rejected on the same basis.

With regards to system claims 14-19, and 21-25, their limitations correspond to the limitations of the method claims 1-6, and 8-12 analyzed above and are therefore analyzed and rejected on the same basis.

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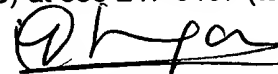
With regards to 26-38, their limitations correspond to the limitations of the method claims 1-3, 5 and 8-12 analyzed above and are therefore analyzed and rejected on the same basis.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yogesh C Garg whose telephone number is 703-306-0252. The examiner can normally be reached on M-F(8:30-4:00).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on 703-308-1344. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Yogesh C Garg
Primary Examiner
Art Unit 3625

YCG
March 21, 2005